

24 February 2023

Subject: Management's Discussion and Analysis (MD&A)
Consolidated Financial Results: Year 2022

Attention: Managing Director
The Stock Exchange of Thailand

Executive Summary

In the year 2022, there are highlights as follows:

The improvement in COVID-19 situation

Since the second half of 2022, the spread of COVID-19 situation has been improved significantly. The Centre for COVID-19 Situation Administration (CCSA) has eased the level of COVID-19 restrictions since July 2022. Also Ministry of Public Health announced COVID-19 as a "Disease under surveillance" instead of a "dangerous infectious disease". However, the Company continues to monitor the situation closely and gives importance to the control measures for safety of employees and counterparties to ensure the stability and continuity of company's business.

The global chip shortage

The electronics supply chain bottlenecks we're experiencing across the globe started with semiconductors, or chips. This global chip shortage emerged in 2021 by the global pandemic continued in 2022 and caused the rising cost of some goods and equipment. Nonetheless, the Company tried to cope with this situation by managing the order placements with vendors more effectively, in order to create a minimum effect to our customers.

The currency fluctuations

The currency fluctuations and weak Baht during Q2 to Q3 2022 affected the importers in many business sectors. Since the Company adopted the appropriate exchange rate risk management to cope with currency fluctuations by making forward exchange contracts, the Company was not affected by this situation.

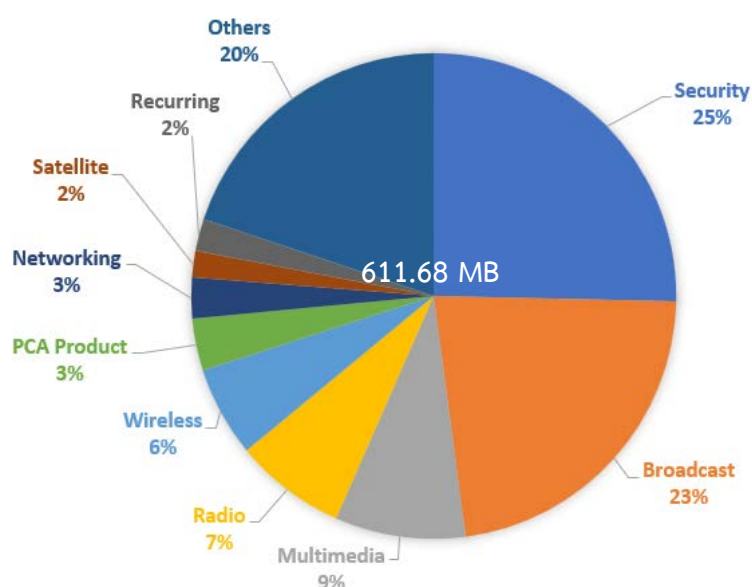
Investments and project progress

On January 25, 2022, the Company established a new subsidiary, Planet Cyber Company Limited with 5 million baht registered capital to provide cybersecurity products, services and solutions which is the existing expertise of the Company to the new groups of customers or any new potential markets. The objective of Planet Cyber is to increase the competitiveness and efficiency of the Company to grab the opportunity of rapid cybersecurity market's growth.

On April 7, 2022, Planet EV Company Limited was established with 5 million baht registered capital to manufacture, buy, sell, and export all kinds of electric cars, motorcycles, mechanisms, machineries, as well as parts or spare parts and accessories related to such products including providing a full range of electric vehicle charging stations. Establishing Planet EV is one of the company's long-term investment plans in expanding the business into New S Curve.

Operating Results

Operating results of the Company & its subsidiaries (Unit : Baht)	2022	2021	Change +/-
			YoY
Operating revenue	611,679,635	422,729,927	44.70%
Cost of sales	(469,511,592)	(298,549,398)	57.26%
Gross profit	142,168,043	124,180,529	14.48%
Selling expenses	(39,929,557)	(27,743,190)	43.93%
Administrative expenses	(107,564,618)	(70,389,498)	52.81%
Other income	5,809,820	13,137,365	-55.78%
EBITDA	483,688	39,185,206	-99%
Depreciation and amortization	(21,842,988)	(15,450,773)	41.37%
EBIT	(21,359,300)	23,734,433	-189.99%
Finance cost	(7,510,451)	(9,379,306)	-19.93%
Income tax expenses	1,813,264	(7,866,113)	-123.05%
Share of profit (loss) from investment in J/V	(187,270)	215,405	-100.00%
Net profit	(27,243,757)	6,704,419	-506.36%
Net profit for the Company	(8,497,329)	17,501,568	-148.55%
Gross profit margin (%)	23.24%	29.38%	-6.13%
Net profit margin (%)	-4.41%	1.49%	-5.90%



Revenue

In the year 2022, revenue from sales and services was 611.68 MB, a significant increase 188.95 MB or 44.70% from the year 2021, which was 422.73 MB. It was mainly due to sales from cyber security and broadcast projects which was 25% and 23% of the operational revenue respectively.

Cost of Sales and Services

The Company's cost of sales and services in the year 2022 was 469.51 MB or 76.76% of operating revenue. It increased from the year 2021 which was 298.55 MB or 70.62% of operating revenue.

Selling and Administrative Expenses

The selling expenses for the year 2022 equaled to 39.93 MB. It increased from the previous year which was 27.74 MB. However, if compared to total revenue, the selling expenses of the year 2022 was 6.53% of total revenue which was better than the year 2021 in which the selling and administrative expenses was 6.56% of total revenue.

Although, the usual sales and marketing activities has been resumed since the COVID-19 situation in Thailand was improving, the Company was quite able to control the selling expenses by the effective cost control strategy.

However, the administrative expenses for the year 2022 equaled to 107.56 MB. It increased from the year 2021 which was 70.39 MB. This was mainly due to the record of the provision of expected credit loss of one project amount 21.49 MB.

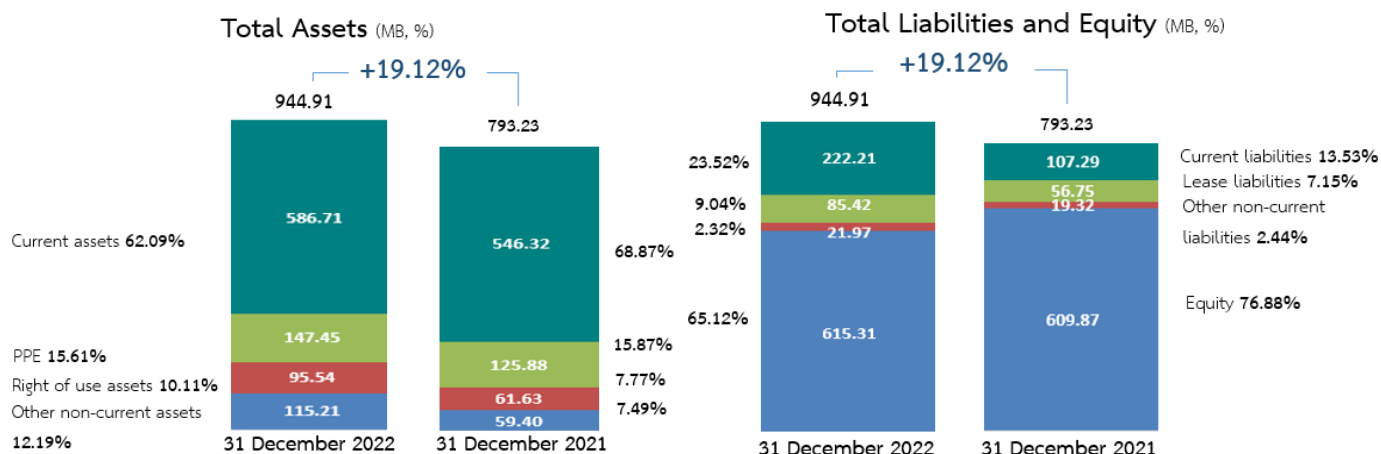
Financial Costs

The financial cost in 2022 was 7.51 MB or 1.22% of total revenue compared to 2021 which was 9.38 MB or 2.15% of total revenue. It decreased by 19.93% since there was the repayment of significant project's short-term loan. The Company tried to expedite bill collection and managed the liquidity from sales to pay off the debt in order to reduce interest payments.

Operating Results

From the surge in Broadcast and Cyber Security sales in 2022, the Company's revenue significantly increased to 617.49 MB. However, the Company incurred a net loss 27.24 MB in this year since the record of the provision of expected credit loss of one project amount 21.49 MB and the major projects recognized revenue around the end of 2022 had relatively low margin.

Financial Position



Assets

As of 31 December 2022, the total assets were 944.91 MB, increased 151.68 MB or 19.12% compared to the end of 2021 equaled to 793.23 MB. It was mainly from the auditor's adjustment in right of use assets calculations. This contract was the company's head office rental contract. It caused the increase in right of use assets, 33.91 MB. Additionally, there's an increase in account receivable and other current receivable, 165.67 MB, and investment in Joint Venture, 12.31 MB.

Liabilities

The total liabilities as of 31 December 2022 were 329.60 MB, increased 146.24 MB or 79.75% compared to the end of 2021 which equaled to 183.36 MB. It was due to the increase in account payable 49.97 MB from the purchasing of goods for significant projects. Moreover, short-term loans from financial institutions increased by 78.40 MB.

Shareholders' equity

As of 31 December 2022, the shareholders' equity was 615.31 MB, increased 5.44 MB from the end of 2021 which equaled to 609.87 MB.

Financial Ratio

The important ratios are presented below:

Ratio	As of 31 December 2022	As of 31 December 2021
Liquidity Ratio (Times)	2.64	5.14
Debt to Equity Ratio (Times)	0.54	0.30
Return on Equity (%)	-4.43	1.10

Yours Sincerely,

(Mr. Prapat Rathlertkarn)
Chief Executive Officer